

Create and Submit an Exoneration

Process

[REQUEST AN EXONERATION](#)

Effective Date

08/16/2005

Purpose

The Create and Submit an Exoneration task provides specific instructions on requesting an Exoneration. The Locality Representative typically performs this task when a local assessment of individual income tax is incorrect and must be reduced. The Special Notes and Procedure will assist you in the manual process of requesting TAX to process an exoneration.

Special Notes

- Only Authorized Local Representatives can perform this task.
- An Exoneration reduces either fully or partially, a liability that is owed by the customer to the locality.
- A locality can only request exoneration entries for current year returns that pertain to customers within its jurisdiction.

Procedure

Responsibility

Authorized Locality Representatives

Steps

1. Access exoneration information received from the customer.
 - Written Correspondence
 - E-mail Fax
 - Phone Call Walk-in
2. Review the related assessment and the customer's account.
3. Determine the customer's true liability and if the assessment should be exonerated.
 - A. If a portion of the liability should be exonerated, review and verify the portion of the liability that should be exonerated.
 - B. If all of the liability should be exonerated, review and verify the liability to be exonerated.
 - C. Determine if any special circumstances apply:
 1. Subtract any Partial Payments received by the locality to determine the exoneration recommended (Form 916, Part II)
 2. If an amended return is received do not include amended return as attachment to Form 916.
 - a. Amended returns go directly to Office of Tax Processing Operations.

- b. If the amended return is a refund, exoneration recommended should be for the full amount assessed, minus partial payment(s) made.
 - c. If the amended return is a reduced tax due, exoneration recommended should be for the decreased amount, minus partial payment(s) made.
 3. Do not accept or deposit payments made after exoneration requests; forward payments to Office of Tax Processing Operations.
 4. Access the Exoneration Form 916 template in the TARP User Guide Job Aid database.
 5. Prepare the Exoneration Form 916.
 - A. Save a copy of the Exoneration Form template from the TARP User Guide Job Aid database to your hard drive.
 - B. Complete the Exoneration Form 916.

NOTE: Each Form 916 must be sent separately to TAX.
Please refer to Form: [Form 916, Request for Correction of an Unpaid/Paid Assessment of State Income Taxes](#)
 - C. Proof the form and verify that the information is correct.
 - D. Make corrections as necessary.
 - E. Save a copy of the Exoneration Form 916 as required by your locality.

NOTE: Your office may require a paper copy of the form be printed and filed or may only require a saved version of the electronic copy of the form be made to a specific electronic folder on your hard drive or on your network.
 6. Print and fax the Exoneration Form 916 to TAX for approval.

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